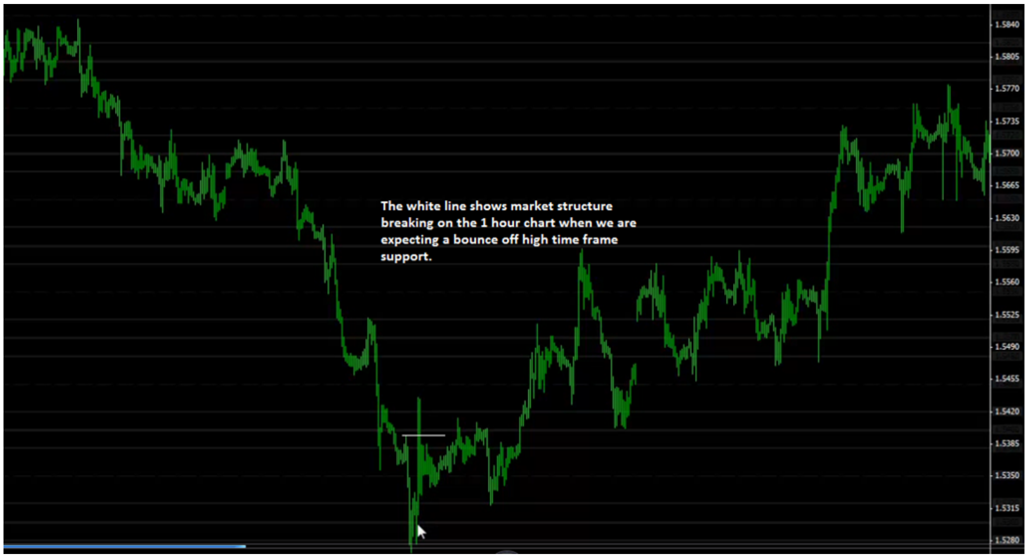
Market Mapping

Saturday, September 21, 2013   9:46 PM

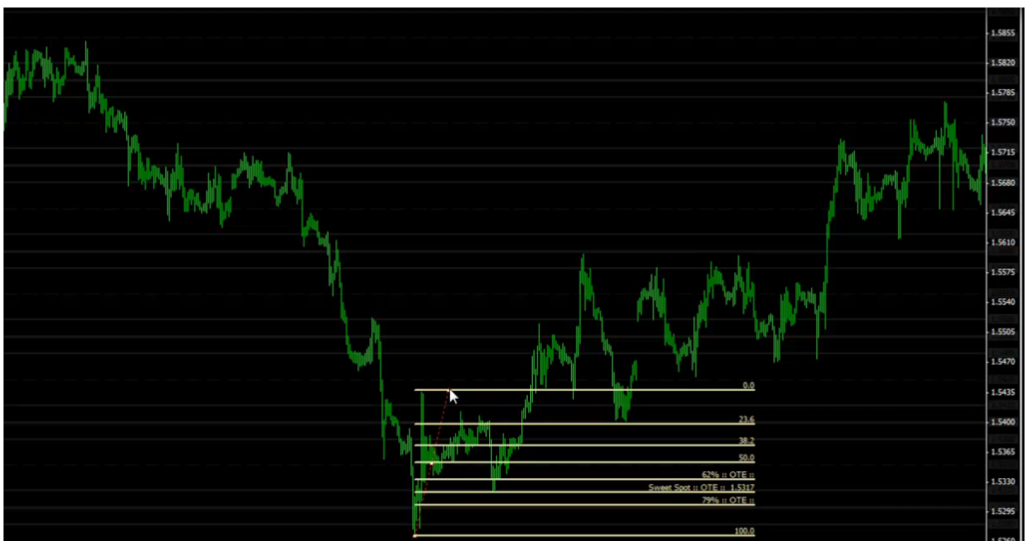
- Anything less than 20 pips is considered scalping.
- We should be looking for moves that are more than 100 pips.
- Just target 50-75 pips per week. All that is, is 1 good trade per week.
- You do not need a lot of pips to make a lot of money.
- You do not need a lot of pips to build wealth. You just need time and consistency (doing the same thing that works over and over again).
- You shouldn't be specifically a bull or a bear on a given day. You are neither one.
- When you get a hold of an explosive move in the market, it is absolutely mind blowing how fast you can build up pips.
- It's not unattainable to reach the 70%-90% accuracy realm. You will however go into a tail spin every once in a while which is just a losing streak or a bad run. It could be seasonally inspired.. there are times in the year when you just shouldn't be as aggressive in trading (the end of the year around the holidays.. scale back trading or take yourself completely out of the market).
- Directional bias is not hard at all, it just requires you to be patient to see the setups that line up with the higher time frame premise.
- There is a seasonal tendency for the markets to create a low in the summer.
- In the summer of 2012, the low of the Cable formed in June.



- In terms of market profiles above, we can see that where the Cable bounced in June was the middle of the consolidation area and that lined up with high time frame support. The Cable went from a trending environment into a consolidation.



- Once market structure has broken, you can set a price alert for when price retraces and gets within 10 pips of the 62% retracement. You could also simply place a limit order somewhere in the OTE area.



- In the above example you could place your stop loss 10 pips under the 100% retracement which would be ~75 pips and go for a position trade or you could zoom into the OTE area and look to reduce the risk a little more.
- A buy program is when you look mainly for buys.
- Price is likely to gravitate towards the open spaces in charts or the spaces where there is the least amount of resistance.
- With a premise in mind, you just have to wait for price action to prove your premise to you.
- Use the Fibs on the 4 hour and 1 hour charts to stage the setup.
- The markets work with the higher time frame premise in mind.
- "I generally do not like to trade Fridays"
- Look for directional premise on monthly, weekly, and daily charts.
- There is nothing wrong with missing trades.
- It is a lot more lucrative to be passive in trading.
- Are the yields expected to move higher or lower?
- Key levels on Gold & Oil can add to or negate from your confidence in a particular trade so it is good to be aware of those.
- Seasonal tendencies may be good to look at on a quarterly basis.
- If you look at the 6-9 month trend you will really be in sync with what the institutional traders are doing.
- The 20% change mark is pretty significant when it comes to a drop or increase in Open Interest.

Premium (futures market): the near contract is selling for more money than the latter month contracts.

- Asian Range high or less for buying and Asian Range low or higher for selling.
- React quickly to preserve money and execute slowly when making money.